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June 9, 2025

VIA ECF

United States District Court
Eastern District of New York
Attn: Hon. Pamela K. Chen, U.S.D.J.
225 Cadman Plaza East, Courtroom 11D South
Brooklyn, NY 11201-1804

Re: IME WatchDog, Inc. v. Gelardi, et al.
Case No.: 1:22-cv-1032 (PKC) (JRC)

Dear Judge Chen:

This office, along with Sage Legal LLC, represents the Plaintiff IME WatchDog, Inc. (“Plaintiff”), in the above-referenced case.

On May 30, 2025, this Court ordered Safa and Vito Gelardi (the “Individual Defendants”) to, in relevant part:

deposit all proceeds of that sale (\$123,670.47) into the Court Registration Investment System (“CRIS”) no later than Friday, June 6, 2025. If Individual Defendants no longer have the entire proceeds of that sale (\$123,670.47), Individual Defendants are directed to (1) deposit all remaining proceeds into CRIS, and (2) submit a detailed, itemized summary by June 6, 2025, explaining what they have done with the outstanding proceeds. Individual Defendants should make this deposit via check payable out to “Clerk, U.S. District Courts.” In the event Individual Defendants have also sold their other Pennsylvania property, located at 5265 Milford Road, East Stroudsburg, the Court ORDERS Individual Defendants to do the same for all proceeds of that sale into CRIS by June 6, 2025. If they still own that property, Individual Defendants will advise by June 6, 2025, whether they intend to sell that property within the next 30 days of this Order.

ECF Docket Entry [500](#).

As of the submission of this letter, there is no evidence through an entry by the Clerk of the Court that the Individual Defendants have deposited \$123,670.47 into the CRIS. Plaintiff respectfully requests that the Court direct the Clerk of the Court to confirm through a filing on ECF whether the Individual Defendants have deposited any monies with the CRIS.

In the event that the Individual Defendants did not deposit any monies into the CRIS or deposited less than \$123,670.47, they are, yet again, in contempt of this Court's Order as they did not submit a detailed, itemized summary by June 6, 2025, explaining what they have done with the outstanding proceeds, as they were ordered to do. Nor have the Individual Defendants deposited proceeds from a possible sale of their 5265 Milford Road, East Stroudsburg, PA property or notified the Court by June 6, 2025 as to whether they intend to sell that property.

Accordingly, if necessary through a formal motion, Plaintiff will renew its requests in its May 2, 2025 Order to Show cause for (i) the Court to direct the U.S. Marshal to arrest and incarcerate the Gelardis until further Order of this Court pending their compliance with this Court's Orders; and (ii) the issuance of case-ending sanctions pursuant to Rule 16(f) of the Federal Rules of Civil Procedure. See ECF Docket Entry [477](#). Notably, in its May 5, 2025 Order to Show Cause, this Court warned the Individual Defendants:

Failure to timely comply with any direction in this Order could result in a finding of contempt against the Individual Defendants and could result in additional sanctions, including case-ending sanctions—i.e., the issuance of a default judgment against Defendants—under Federal Rule of Civil Procedure (“Rule”) 16(f), which permits the Court to *sua sponte* “issue any just orders, including those authorized by Rule 37(b)(2)(A)(ii)-(vii)” where a party or its attorney fails to obey a pretrial order. Fed. R. Civ. P. 16(f). Rule 37(b)(2)(A)(vi) permits the Court to “render[] a default judgment against the disobedient party.” Fed. R. Civ. P. 37(b)(2)(A)(vi). See Houghton v. Culver, 467 F. App'x 63, 65 (2d Cir. 2012) (explaining that “the standards developed under Rule 37(b)(2)” apply to a district court’s sanction under Rule 16(f)) (summary order).

See ECF Docket Entry [482](#).

Dated: Lake Success, New York

June 9, 2025

Respectfully submitted,

MILMAN LABUDA LAW GROUP PLLC
/s/ Jamie S. Felsen, Esq.

Dated: Jamaica, New York

June 9, 2025

SAGE LEGAL LLC
/s/ Emanuel Kataev, Esq.

cc: Safa Gelardi (via ECF)

Vito Gelardi (via e-mail & first class mail)
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